

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 172 – HB 141

April 1, 2017

SUMMARY OF ORIGINAL BILL: Specifies that a rickshaw does not include a bicycle built for more than three people or any type of motorized scooter used by a disabled person.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (006586): Deletes all language after the enacting clause. Establishes *Motor Vehicle Recall and Disclosure Act* (Act) for the purpose of prohibiting a motor vehicle dealer from offering for sale any new or used motor vehicle until the dealer has obtained a recall database report for such vehicle. If a recall database report obtained by a dealer indicates that a motor vehicle is subject to a manufacturer's safety recall that has not been repaired, the dealer is prohibited from selling such vehicle until the recall repair has been performed.

Establishes that if a franchisee of a motor vehicle dealer acquires a motor vehicle subject to a safety recall and the franchisee's manufacturer has not yet developed a remedy to correct the defect, or made the appropriate replacement parts available to the dealer to remedy such defect, then the manufacturer is required to reimburse the dealer at least one percent per month of the wholesale value of the vehicle for each month the vehicle remains in the dealer's inventory until the remedy or parts are provided by the manufacturer.

Compliance with this Act may not be waived by the consumer. Any violation of the Act is considered a Class C misdemeanor as specified in Tenn. Code Ann. Title 55 chapter 17 part 1.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

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Assumptions for the bill as amended:

- Any impact on the Department of Safety is estimated to be not significant.
- Any impact on the Division of Consumer Affairs can be accommodated utilizing existing staff during regular work hours.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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